

Opening Statement to the Joint Committee on Rural and Community

Development on 23 October 2018

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Introduction

Chairman, thank you for the opportunity to present this opening statement on behalf of the Department of Transport, Tourism and Sport. The Department has been invited here today by the Committee to answer questions in relation to Transport Policy in rural and regional areas, and to assist the Committee in its consideration of these matters. I am joined by some colleagues from the Department where we all work on Land Transport: Mr Kevin Doyle and Mr Garret Doocey each deal with matters of Public Transport policy; and Mr Dominic Mullaney deals with matters of Roads policy.

Organisation of public transport

The Committee has already had several discussions about rural and regional transport, and will know that there are many actors in the transport arena in Ireland. Also, over the last decade, there have been several changes in the way that public transport is organised and governed. Against this backdrop, it might be useful to the Committee if I briefly outline how the institutions within the public transport area are organised and give you a summary of the respective roles of the State bodies, including ourselves.

Minister and Department

As the Committee will be aware, the Minister and the Department have responsibility in relation to three overarching themes:

- policy and statutory frameworks;
- aggregate funding; and
- corporate governance in the State transport bodies and a shareholder role.

In fulfilling these responsibilities, we work on a number of fronts. We develop transport policy and also provide a transport perspective and input when other relevant Government policies are being devised. We develop the statutory and legislative frameworks to govern the transport sector.

Through our Vote, we channel aggregate Exchequer funding. The Department's total Voted allocation in 2018 is approximately €2billion, of which €1.6billion relates to land transport. Committee members might be interested to know that analysis conducted a few years ago

indicated that well over three-quarters of our spend on land transport was outside the Greater Dublin Area.

For public transport, the funding flows mainly to the National Transport Authority, for infrastructure investment and public transport service support. For roads, the funding flows to Transport Infrastructure Ireland (TII) and to the relevant local authorities.

Committee members will be aware that during the years of the fiscal and economic crisis that followed the banking crisis of 2008, many areas of Government expenditure were reduced in order to regain fiscal stability. In the transport area this curtailed the current and capital budgets available to support services and invest in infrastructure. It impacted on roads and on public transport. At the time, the Department undertook an analysis to advise Government on how best to prioritise transport capital investment in these circumstances. The approach adopted was published in the 2015 document “Strategic Framework for Investment in Land Transport” (SFILT). It prioritised investing in maintaining the existing, very extensive road and rail networks in order to keep them operational and safe.

Since then, it has been a priority to return to the levels of maintenance and safety investment required to keep the networks at a steady state of service and reliability. Annual budget allocations have been increasing over more recent years, and are scheduled to rise further over the coming years. This is enabling the achievement of “steady state investment” together with targeted new projects under the National Development Plan and in line with the strategic objectives in the National Planning Framework.

Finally, as a Department we also oversee corporate governance in the State bodies involved with transport and exercise the shareholder role on behalf of the Minister in relation to the State-owned service providers, CIÉ and its subsidiaries.

National Transport Authority

The National Transport Authority (NTA) is the next significant actor in the sector. The NTA was established about 10 years ago under legislation passed by the Oireachtas to act as an independent regulatory, funding and strategy body, and it now has a considerable role in relation to the public transport sector in Ireland. Among its statutory functions, the NTA is responsible for: regulating and contracting PSO bus and rail services; allocating PSO funding to the operators; licensing and regulating commercial bus services; regulating taxi services; and developing integrated ticketing.

I am aware the NTA has been before this Committee both this year and last about their approach to such tasks.

Transport Infrastructure Ireland

Transport Infrastructure Ireland's primary function is to provide an integrated approach to the future development and operation of the national roads network and light rail infrastructure throughout Ireland.

Commission for Railway Regulation

The Commission for Railway Regulation has statutory independence and it exercises two important roles: firstly, it is the national body for oversight and authorisations in relation to safe operation of the railways, and secondly it has a role in relation to the economic aspect of the railway and facilitating market access.

In many respects, our national regulatory framework for public transport reflects EU law that applies across all Member States and, like other Member States, Ireland now has independent transport-focussed authorities responsible for matters such as allocation of funding, licensing (viz. the NTA) and oversight of safety (viz. the CRR).

CIÉ and Subsidiaries

Within the State sector, the next set of actors in the public transport arena is probably the most visible to the travelling public as they are the bodies that actually provide services across the country. These are the long-standing Coras Iompair Éireann (CIÉ), and its three fully-owned operating subsidiaries: Bus Átha Cliath, Bus Éireann, and Iarnród Éireann. The companies are responsible for running all their services and they also decide on strategy and operations in relation to the commercial aspects of their operations.

Non-State Participants in the Sector

Alongside the State bodies that I have described, there are also many private firms and community bodies involved in transport provision, and they do this under relevant regulatory, licensing, and/or funding arrangements with the NTA.

Department's remit and Rural/Regional Transport

The Committee is primarily interested in transport matters that affect rural areas and regional travel. In relation to the work of the Minister and the Department, our remit for policy development and for overall transport funding is most relevant to the context and support for transport in rural and regional areas.

Programme for Government Commitments

On the policy front, the Committee will be aware that the Programme for a Partnership Government has a number of commitments that are relevant to the public transport area. One such commitment is to examine how best to improve the integration of services in the rural bus network within regions, and to provide a report on this to the relevant Oireachtas Committee. This matter is being examined and developed by the Department within the broader context of a wider piece of work that we have underway to review public transport

policy, which is another commitment in the Programme for Government. That commitment is to review public transport policy “*to ensure services are sustainable into the future and are meeting the needs of a modern economy.*”

As a key part of this policy review process, the Minister hosted a Round Table Discussion in May, involving a broad range of organisations and individuals who are closely connected to the public transport sector. Specifically in relation to rural transport, these included representatives of the Rural Transport Network and Irish Rural Link. The purpose of the Round Table event was to give participants the opportunity to outline their perspectives on key public transport policy issues and, equally, to hear the perspectives of others and engage in a dialogue about the challenges of achieving appropriate policy balances. The discussions, papers and presentations from the Round Table Discussion are forming the basis of a public consultation that is planned to take place very shortly. The public consultation will further inform the Department’s work on the review of public transport policy, including the rural transport dimension, and the development of a Public Transport Policy Statement.

This transport policy review work is now taking place against the background of another notable policy initiative in which we have been deeply involved: the recently agreed *Project 2040* plan which was developed in a cross-Government initiative led by the Department of Housing, Planning and Local Government. Published earlier this year, it comprises both a new *National Planning Framework* (NPF) setting the vision and policy direction for Ireland’s development over the next 20 or 25 years, together with the new *National Development Plan* (NDP) which is the 10-year strategic capital investment plan for infrastructure development. As a key element of national infrastructure and a critical component of planning the country’s future development, the transport sector features strongly in *Project 2040*, and the document is very relevant as a context to future transport policy.

Rural transport services and infrastructure

The Exchequer funding provided for public transport includes subvention support, via the NTA, for the PSO operations of Bus Éireann and Iarnród Éireann – both of which have very substantial operations and services in rural Ireland and in regional connectivity – and investment in their infrastructure.

Exchequer funding also supports the Rural Transport Programme (RTP) which, obviously, is specific to rural areas and which is aimed at addressing social isolation through providing a public transport service that is tailored to local needs. This funding is also channelled via the NTA, which, since 2012, has national responsibility for integrated local and rural transport, including management of the RTP. The programme is now operated under the “Local Link” brand.

While the delivery of Demand Responsive Transport (DRT) services remains a cornerstone of the Local Link programme, there has been an increasing focus on providing regular commuter services since 2016, in response to an identified local demand. These regular rural services are high frequency services running 5/6/7 days a week and are designed to facilitate access to education, employment, health and recreational opportunities. Key features include connectivity with other public transport services and better linkage of services between and within towns and villages. The NTA has advised that since 2016, 60 such regular rural services have been introduced into the Local Link network which are managed by the Local Link offices.

Project 2040 – Public Transport and Roads

A priority under the National Planning Framework is the essential requirement to enhance and upgrade accessibility between urban centres of populations and their regions, in parallel with the initiation of compact growth of urban centres. Compact growth, improved public transport and decarbonisation of car journeys are all necessary elements in our transition to a low-carbon future.

Furthermore another major objective under the framework is to make substantial progress in linking our regions and urban areas not just to Dublin but to each other.

Project 2040 rightly recognises that significant investment in public transport will be required to accommodate change and growth, while also providing more choice for the travelling public and improving quality of people's lives. *Project Ireland 2040* will build upon this investment. In June last, Minister Shane Ross and Minister of State Brendan Griffin launched 'Linking people and places' which involves investment of €8.6 billion specifically for public transport. The aim is to link more people to more places, while improving quality of life, easing congestion in our cities and doing our part in delivering a low carbon society.

New major public transport programmes to be delivered under the NDP will be fully accessible for people with disabilities as part of the normal design and there will also be a continued investment programme to fund retro-fitting of older existing public transport facilities to enhance accessibility.

One of the flagship investments to be delivered within Project Ireland 2040 and the 10-year NDP horizon is BusConnects for Ireland's cities, commencing roll-out in Dublin, followed by the other main cities commencing with Galway city. BusConnects is a key investment priority for public transport to address congestion in the short to medium term. The development of a BusConnects programme in the regional cities is to include new bus fleets; bus lanes with segregated cycling; revised bus service networks; and park-and-ride facilities. The objective is to deliver a bus system that will enable more people to travel by bus than

ever before, and allow bus commuting to become a viable and attractive choice for employees, students, shoppers and visitors.

The funding priority for the inter-urban rail network under the NDP is to protect the investment already made in our national railway system by funding maintenance and safety projects needed to maintain safety and service levels in railway operations.

The sheer scale of Ireland's road network is not well-known but, at a combined length of 100,000 kilometres, it is actually twice the European average per head of population. This road network is a workhorse of our economic and social infrastructure. Most of our freight is carried by road, all of our bus services rely on the road network, and our regional and local roads provide an essential role in connecting communities.

The importance of investment in the maintenance and renewal of the road network is recognised in the National Development Plan. Within available budgets, both Transport Infrastructure Ireland (TII) and the Department are focussed on maintaining the network in as serviceable a condition as possible. In the case of regional and local roads the main grant programmes operated by the Department are targeted at specific policy objectives, for example: pavement sealing to protect the road surface from water damage; and road strengthening, based on pavement condition rating, to lengthen the life of road pavements. These grants, which are intended to supplement local authorities' own resources, are allocated based on the length of the road network within a local authority area of responsibility, as this is seen as the most equitable basis for allocations.

The Committee may be interested to note that the Department's grant funding for regional and local roads is principally directed to local authorities outside Dublin. This reflects the fact that, since the revision of the arrangements for the retention of Local Property Tax in 2015, the Dublin Councils no longer receive any grant assistance from the Department under the main road grant categories.

In addition to substantial support for the maintenance of the road network, the NDP lists 23 new national road schemes which are already at planning/design or construction stages, including the strategic road link between Cork and Limerick. At a regional and local level, another 13 significant road improvement projects are currently being advanced under the NDP. All of these schemes will better link local communities, reduce congestion and contribute to the local economy in their areas. Work is also underway on appraisal and early planning work related to a pipeline of projects identified as suitable for future development.

Conclusion

Overall, the Department works on providing the general policy context for all transport in Ireland, including land transport in rural Ireland and connectivity within and between regions. The road network and the public transport networks are integral to this and they each receive substantial levels of support from the State each year. This is set to continue into the foreseeable future and it is closely linked to key outcomes identified in the Government's *Project 2040* development plan and investment strategy.

Chairman, we hope that we can assist the Committee today in its deliberations by explaining and discussing the policy context for land transport in Ireland. Also, as mentioned earlier in this Opening Statement, we are currently embarked on reviewing public transport policy; so we would also hope that in the course of the Committee's discussions today we would get the chance to hear Committee members' views and experience that would help inform and feed into our own policy review work.